GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:4197
ANSWERED ON:19.04.2002
WORLD BANK LOAN TO AP
Y.S. VIVEKANANDA REDDY

Will the Minister of FINANCE be pleased to state:

(a): whether the World Bank approved an IBRD loan ofUS $ 125 million and a Development credit of SDR 101million (US dollar 125 million equivalent) for the economic reform programme of Andhra Pradesh;

(b): if so, the details of the loan agreement; and

(c): the time by which the said loan is likely to be granted to Andhra Pradesh ?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI GINGEE N. RAMACHANDRAN)

(a): Yes, Sir.

(b): Andhra Pradesh Economic Reform loan willbe utilized for Fiscal Policy Reform, PublicExpenditure and Financial Management Reform and for Governance as well as Regulatory Reforms. The IBRD loan is payable in 20 years with a five-yeargrace period, the interest rate is a variable one, determined by the market and currently at 2.5%.

(c): Loan & Credit proceeds received by Government of India has been made available to Andhra Pradesh.